

Resource-efficient Europe

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PURPOSE: presentation of the flagship initiative “A resource-efficient Europe” under the Europe 2020 strategy.

BACKGROUND: natural resources underpin the functioning of the European and global economy and our quality of life. These resources include raw materials such as fuels, minerals and metals but also food, soil, water, air, biomass and ecosystems and **the pressures on them are increasing**.

If current trends continue, by 2050, the global population is expected to have grown by 30% to around 9 billion and people in developing and emerging economies will legitimately aspire to the welfare and consumption levels of developed countries.

Given these changes, the Commission considers that continuing **our current patterns of resource use is not an option**. It will be necessary to: i) develop new products and services and find new ways to reduce inputs, ii) minimise waste, iii) improve management of resource stocks, iv) change consumption patterns, and v) optimise production processes, management and business methods in order to boost employment in the “green technology” sector and sustain EU trade.

Using resources more efficiently will help us **achieve many of the EU's objectives**:

- it will be key in making progress to deal with climate change and to achieve our target of reducing EU greenhouse gas emissions by 80 to 95% by 2050;
- it is needed to protect valuable ecological assets, the services they provide and the quality of life for present and future generations;
- it will help us ensure that the agricultural and fisheries sectors are strong and sustainable and reduce food insecurity in developing countries;
- by reducing reliance on increasingly scarce fuels and materials, boosting resource efficiency can also improve the security of Europe's supply of raw materials and make the EU's economy more resilient to future increases in global energy and commodity prices.

To enjoy the benefits of a resource-efficient and low-carbon economy, we need to fulfil **three conditions**:

1. **take coordinated action** in a wide range of policy areas and this action needs political visibility and support;
2. **act urgently** due to long investment lead-times;
3. **empower consumers** to move to resource-efficient consumption, to drive continuous innovation and ensure that efficiency gains are not lost.

CONTENT: a resource-efficient Europe is one of seven flagship initiatives as part of the [Europe 2020 strategy](#) aiming to deliver smart, sustainable and inclusive growth. This flagship initiative aims to create a framework for policies to support the shift towards a resource-efficient and low-carbon economy which will help the EU to:

- boost economic performance while reducing resource use;
- identify and create new opportunities for economic growth and greater innovation and boost the EU's competitiveness;
- ensure security of supply of essential resources;
- fight against climate change and limit the environmental impacts of resource use.

A key aim of this flagship initiative is to **increase certainty for investment and innovation** by forging an agreement on the long-term vision and ensuring that all relevant policies factor in resource efficiency in a balanced manner.

1) Components for delivering the resource-efficient Europe flagship initiative: the initiative provides a long-term framework for action in many policy areas, supporting policy agendas for climate change, energy, transport, industry, raw materials, agriculture, fisheries, biodiversity and regional development. These different components must be well coordinated.

The key components of the long-term framework will come in the form of a **series of coordinated roadmaps** to:

- outline what the EU needs to do to create a **low-carbon economy in 2050**, cutting greenhouse gas emissions by 80-95%, as part of global efforts to fight climate change, while improving energy security and promoting sustainable growth and jobs;
- analyse how the EU can create an energy system by 2050 which is low-carbon, resource-efficient, secure and competitive. This should provide the necessary certainty for investors, researchers, policy makers and regulators;
- present a vision for a low-carbon, resource-efficient, secure and competitive transport system by 2050 that removes all obstacles to the internal market for transport, promotes clean technologies and modernises transport networks;
- define medium and long-term objectives and means for achieving them with the main aim to decouple economic growth from resource use and its environmental impact.

Medium-term measures should be consistent with this long-term framework. A number of such measures have already been identified. These include:

- an **energy efficiency plan with a time horizon of 2020** which will identify measures to achieve energy savings of 20% across all sectors, and which will be followed by legislation to ensure energy efficiency and savings;
- **proposals to reform** the Common Agricultural Policy, the Common Fisheries Policy, Cohesion Policy, energy infrastructure and trans-European networks for transport in the context of the next EU budget to align these areas with the requirements of a resource-efficient, low-carbon economy;
- a **new EU biodiversity strategy for 2020** to halt further loss to and restore biodiversity and ecosystem services in the light of pressures on ecosystems;
- measures to tackle the challenges in [commodity markets and on raw materials](#) which will, amongst others, periodically assess critical raw materials and define a trade policy to ensure sustainable supplies of raw materials from global markets. These measures will help ensure coherence between the EU's raw materials and external policies, including the promotion of good governance, transparency of activities and creation of local value added in developing countries. It will promote extraction, recycling, research, innovation and substitution inside the EU;
- a strategy to make the EU a 'circular economy', based on a **recycling society** with the aim of reducing waste generation and using waste as a resource;
- early action on **adaptation to climate change** to minimise threats to ecosystems and human health, support economic development and help adjust our infrastructures to cope with unavoidable climate change;
- a **water policy** that makes water saving measures and increasing water efficiency a priority, in order to ensure that water is available in sufficient quantities, is of appropriate quality, is used sustainably and with minimum resource input, and is ultimately returned to the environment with acceptable quality.

2) Building up a knowledge base and a consistent analytical approach: the analysis of initiatives under this flagship initiative must be based, where possible, on common assumptions, parameters and baselines, as well as on shared medium- and long-term visions.

As a first step, in early 2011, the Commission will present **joint modelling scenarios up to 2050** on climate, energy and transport policies. The preliminary modelling results suggest that an 80% domestic reduction in greenhouse gas emissions by 2050 compared to 1990 levels is possible using technologies such as carbon capture and storage, renewable energies, nuclear power and electrification. These preliminary modelling results also suggest that the power generation, residential and industry sectors should be able to reduce emissions by more than 80%, the transport sector by around 60% and the agricultural sector by around 40%.

3) Resource efficiency as an increasing global concern: given the global dimension of key environmental issues such as climate change, biodiversity, land use, deforestation, external impacts of consumption and production patterns, competitiveness, security of supply and access, the EU needs to address resource efficiency issues internationally and to **cooperate closely with key partners**, including with candidate countries and those in its neighbourhood.

Through its external commercial relations, the EU should continue efforts to provide a level playing field for industry, to improve the conditions for sustainable supply of raw materials, and to promote the liberalisation of trade in environmental goods and services so as to ensure industry's international competitiveness.

The Rio+20 international conference on sustainable development in 2012 will focus on the 'green economy' and environmental governance and will provide a good opportunity for the EU to address resource efficiency with global partners.

4) Governance and monitoring progress: the governance and monitoring will take place in the framework of the Europe 2020 strategy and will integrate the relevant elements of the EU Sustainable Development Strategy in order to ensure overall coherence. They will be based on an analysis of EU policies and those of individual Member States in their National Reform Programmes as part of the Annual Growth Survey exercise. This will be done as part of the European Semester for 2012.

The Commission will make **concrete proposals for strategies** to improve resource efficiency in the various policy areas described above. In the meantime, it invites the European institutions, national parliaments, the Committee of the Regions, the European Economic and Social Committee, candidate countries and stakeholders to contribute to the further development of these strategies and the promotion of resource efficiency.